

AR38

Proceedings
at the
Annual and Special
General Meeting
of Shareholders
Friday, May 2, 1975

Canadian
Pacific
Investments
Limited

Le Château Champlain
Place du Canada
Montreal
Canada

MAY 26 1975

Canadian Pacific Investments Limited
Montreal, Canada

The following is a summary of the business transacted at the Annual and Special General Meeting of Shareholders held at Montreal, Canada, on May 2, 1975.

Mr. Ian D. Sinclair, Chairman of the Company, presided at the meeting and Mr. G. S. MacLean, Secretary of the Company, acted as secretary.

After notice of the meeting had been read and the Report of the Scrutineers as to a quorum had been received, the Chairman declared the meeting to be regularly called and properly constituted for the transaction of business.

Minutes of the last Annual and Special General Meeting of Shareholders held April 26, 1974 were confirmed.

The Auditors' Report to the Shareholders, having been read, the Chairman, on behalf of the Directors, placed before the meeting the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon for the year ended December 31, 1974.

The President, Mr. W. Moodie, then addressed the meeting as set out in this booklet, beginning at page 3.

The Secretary read By-law No. 14, enacted by the Directors on August 30, 1974, which required sanction by at least two-thirds of the votes cast at the meeting. This by-law added the Chairman of the Company to those who may call meetings of the Board of Directors and the Executive Committee, sign documents, and act as one of the authorized officers who may be directed to borrow upon the credit of the Company. By-law No. 14 was then sanctioned and confirmed as a by-law of the Company.

The Secretary read By-law No. 15, enacted by the Directors on August 30, 1974, which provided a new seal to include the French name of the Company and which required sanction by a majority of the votes cast at the meeting. By-law No. 15 was then sanctioned and confirmed as a by-law of the Company.

The Secretary read By-law No. 16, enacted by the Directors on March 6, 1975, which increased the number of Directors of the Company from twelve to fourteen and which required sanction by at least two-thirds of the votes cast at the meeting. By-law No. 16 was then sanctioned and confirmed as a by-law of the Company.

The Secretary read By-law No. 17, enacted by the Directors on March 6, 1975, which also required

sanction by at least two-thirds of the votes cast at the meeting. This by-law reinforced the powers of the Executive Committee by the removal of the requirement that their actions be ratified by the Board of Directors. By-law No. 17 was then sanctioned and confirmed as a by-law of the Company.

The following were duly elected as Directors of the Company to hold office until the next Annual Meeting of Shareholders:

Mr. W. A. Arbuckle
Mr. F. S. Burbidge
Mr. F. E. Burnet
Mr. A. M. Campbell
Mr. R. W. Campbell
Dr. John Macnamara
Mr. Angus A. MacNaughton
Mr. W. Moodie
Mr. S. E. Nixon
Mr. Paul L. Paré
Mr. H. M. Pickard
Mr. Ian D. Sinclair
Mr. R. D. Southern
Mr. W. J. Stenason

Price Waterhouse & Co. were appointed Auditors of the Company for the ensuing year and the Board of Directors was authorized to fix the remuneration to be paid to the Auditors.

The meeting then terminated.

After the shareholders' meeting, the Directors met and elected Officers of the Company and the Executive Committee as follows:

Officers of the Company

Ian D. Sinclair, Chairman of the Company and
Chief Executive Officer
W. Moodie, President
W. J. Stenason, Executive Vice-President
P. A. Nepveu, Vice-President Finance and Accounting

The Executive Committee

W. A. Arbuckle
F. S. Burbidge
A. M. Campbell
W. Moodie
Paul L. Paré
Ian D. Sinclair

Text of address by the President, Mr. W. Moodie, to the Annual and Special General Meeting of Shareholders at Montreal, Canada, May 2, 1975.

This is the first annual meeting of the shareholders of Canadian Pacific Investments Limited that I have had the pleasure of addressing. At the outset, I wish to join with the chairman in warmly welcoming you here today and say how much we appreciate your interest in the company's affairs.

The year 1974 was a good one for CP Investments. The record of it is set out in the report of the directors, of which you have all received a copy. The achievements of the past year are justifiably a source of satisfaction for management and it is our hope that this satisfaction is shared by the stockholders. The deeper importance of these achievements, however, is that they have set new, higher standards for future performance and in the directors' report, shareholders were advised that we see the challenge as being "a need to improve on 1974 during a downswing in the economic cycle."

Since the report was written, the economic indicators have continued downward and the forecasters have progressively moved the date of the probable turning point further into the future. There is no doubt that the whole western world is going through a recession and that in some countries, notably the United States, it is as severe as any which have occurred since the end of World War II.

In Canada, the slowdown has, so far, been much less pronounced. While we can be grateful for this, we cannot be complacent about it for our continuing prosperity depends on having prosperous trading partners.

In the light of the current climate, I am therefore happy to report to you that earnings of your company for the quarter ended March 31, 1975 were \$36,285,000, being 62 cents per common share, which compares favourably with the first quarter of 1974 when earnings were \$27,279,000 or 49 cents per share. Our anticipations for oil and gas have been more than realized. And as a result of our increased investment in Algoma and the consolidation of their earnings, the contribution from that source was substantially greater this year. Fording Coal, Great Lakes Paper and Marathon Realty earnings are well ahead of the corresponding quarter of 1974. However, Cominco's profit level is slightly lower, and Pacific Logging and CP Hotels are significantly below their 1974 performance. Investment income is down due to the elimination of Algoma Steel dividends from that

classification and to increased interest charges associated with the acquisition.

Insofar as the balance of the year is concerned, the question still remains open. Some analysts and economists have found indications of an upturn; others are gloomy about the prospects right through to the spring of 1976. Our outlook is perforce a composite of the views of our operating companies and on that basis there are pluses and minuses. PanCanadian, Fording and Marathon still look good. Their second quarter results are expected to be on target and the second half of the year should be satisfactory for those three companies.

There are some clouds on the horizon for Cominco, Algoma and Great Lakes Paper. Two imponderables are lead and zinc markets and the labor contracts which have yet to be negotiated by Great Lakes Paper and Algoma. If there should be a serious decline in the volume of sales and/or the price of lead and zinc or if there should be prolonged work stoppages at either Great Lakes Paper or Algoma, there could be significant impact on 1975 profit levels.

Having looked at the balance of 1975, it is obvious that we should not minimize in any way the economic problems that are currently being experienced. But it is equally obvious that we must see them in proper perspective and to do this it is necessary to recognize the underlying long-term trends beneath the surface of the more apparent — and seemingly more insistent — manifestations of cyclical change.

Although its dimensions have changed radically over time, the basic economic problem of the world remains what it has always been — scarcity. For a variety of political as well as economic reasons, this problem is expressing itself in our day in the particularly nettlesome form of inflation — the pressing of too much demand on existing productive capacity.

In the foreseeable future it seems certain that increasing rather than decreasing pressure of demand will be a dominant feature of modern life. This will arise not only from population growth over much of the globe, but also from peoples' expectations of higher levels of real income. For a long time to come, the voices of the proponents of zero growth are likely to be drowned out by the clamor of the millions who want more of the world's goods and services.

The long-term solution is to increase capacity, to create new plants and new processes and to find and bring to market additional supplies of materials of all types.

There is no need, in these times, to labor the point with regard to energy. Everyone is aware that new sources of it must be found and harnessed. It may be

less well known, but our needs for minerals of many kinds are growing at a rapid pace. A new zinc mine, for example, must be brought into production each year to meet the normal increase in the demand for zinc. A similar situation exists with regard to copper, despite what the present glut of that metal seems to indicate.

Forestry experts are unanimous in their view that present sources of wood fibre will have to be supplemented by new sources to meet the growing world demand for pulp, newsprint and construction materials.

Based on present expansion plans in the international steel industry and recent growth rates in demand, there will be a substantial steel shortage by 1980.

The list of global needs is a long one. Its very length may confirm the pessimists in their pessimism, but most of us will find in it a stimulus to more energetic action.

It is in this setting of growing domestic and international needs for the products and services its subsidiaries are able to provide that Canadian Pacific Investments Limited is planning for the future.

As shareholders, I believe you will be interested in some of those plans but before elaborating further, it might be useful to dwell for a moment on the considerations which influence us in guiding the company's development. A first principle is to try to avoid the extremes of either the "grand design" or the unrelated bits-and-pieces approach. The former can too readily become a strait-jacket, inhibiting freedom to respond to changing conditions. The latter allows for infinite flexibility, but could result in mere proliferation rather than in orderly growth.

Our subsidiaries are our first line in discerning opportunities for growth and in developing programs to achieve it. Each of them has its own particular philosophy, growing out of the distinctive nature of each business and the experience of the management. In coordinating and harmonizing their programs, our top priority is attainment of the parent company's objective of increasing earnings from a broad range of earnings sources. This range encompasses a variety of market opportunities which either supplement or complement each other. Our policy is therefore to encourage and assist all our subsidiaries towards profitably broadening their earnings bases through integration or diversification, or both.

In pursuing this policy we do not just passively react to what the subsidiaries propose. We participate actively with them in their planning. In those companies where there are minority shareholders, we are

keenly aware of our responsibilities to them. We feel confident that our involvement in promoting development and improving results has been, and will continue to be, beneficial to their interests.

It is part of our philosophy as a predominantly Canadian company, that every opportunity should be offered to Canadians to share directly in our progress. We shall do all we can to encourage such participation and we intend, in the future, to study the benefits of offering to the public a share of the ownership in some of the companies that are now wholly-owned by Canadian Pacific Investments.

Having given you the main assumptions underlying our planning and an outline of our planning philosophy and procedures, I would like to give you just an indication of the scale and the scope of current developmental activity.

More extensive use of coal as an energy source can be expected in future years. As you know, CanPac Minerals, which is 60 per cent owned by CP Investments and 40 per cent owned by Cominco, controls coal reserves, mainly of thermal coal, estimated at approximately 1.5 billion tons. Large projects are already in the planning stage to meet rising demand for coal for use in coal-fired power stations. Farther into the future are the possibilities of coal gasification plants.

In the forest products group, Great Lakes Paper is mid-way along in an expansion program launched in 1973, representing an expenditure of some \$170 million. The company's entry into production of stud lumber, particleboard and waferboard achieves not only greater diversification, but also makes fuller use of its wood resources.

Cominco's complex of activities encompasses exploration for and development of mining properties all over the world. These have led to the finding of the Black Angel zinc-lead mine in Greenland, the Magmont mine in Missouri and, most recently, to the Rubiales mine in northern Spain, which is just being brought into production. In Canada's Northwest Territories Cominco is into the second phase of its Con gold mine. Construction has commenced on a \$125 million Cominco plant near Calgary to produce ammonia and urea.

In addition to its continuing search for oil and gas, PanCanadian Petroleum is planning to construct an anhydrous ammonia plant in southern Alberta which would use the company's natural gas reserves as raw material. Both this project and Cominco's are in tune with the policy of the Alberta government to build up the industrial base of the province and assure its people a long-term return on resource development.

Algoma Steel, the most recent addition to the CPI group, is also well advanced on an expansion program. During the past five years, Algoma has spent some \$350 million, principally on plant and facilities, but also on mining properties to ensure adequate coal and iron supplies. On completion of the program in mid-1976, production capacity for raw steel will be up by 40 per cent and processing facilities for finished steel products will have been enlarged commensurately.

Both CP Hotels and Marathon Realty have in hand development programs which will extend their scope of operations. Marathon's plans include construction of shopping centres, industrial and office buildings, and residential developments. CP Hotels is adding five new hotels to its Canadian chain and is broadening out internationally.

Notwithstanding the work underway in our subsidiaries, we are concerned with the development of CP Investments itself, and with ensuring that CPI has the base necessary to profitable growth for its shareholders. There is much more to do than we can afford to do. Like most other large businesses, we could put to effective use a great deal more capital than is available. This dilemma might be lightly dismissed as just another problem of priorities which every enterprise must solve as best it can. But it is more than that. It is a problem of high consequence for economic progress and this I am afraid is something that too often is overlooked, too often is misunderstood.

Better standards of living however measured — whether by more goods, or more social services, or fresher air and cleaner water — depend on increasing the output from human effort. This is achieved by accumulating capital, which involves foregoing some current consumption and directing the energy and resources thus saved into the creation of additional or more efficient productive capacity. It may not be accurate to paraphrase proverbs and say that where there is no capital the people perish, but it is safe to say that where there is no capital the people cannot flourish.

The inducement to save and to invest is the prospect of earning a return on the investment. Even socialist economies expect to grow by "profiting" from sound investment of capital.

Capital and profits are thus common to both socialist and capitalist economic systems. In the socialist state they are not called that. They are nevertheless there and they serve the same function as in our own system — to build the economy. The vital difference lies in the way capital is directed to alternative uses. In our

system we rely on the mechanism of the market. In the planned economy, the decisions are made by bureaucrats who are presumed to know what is best for people. Whether capital and profits have to be higher in the planned economy to compensate for the extra hazards implicit in large-scale state planning, I leave to your own judgment.

This all sounds pretty elementary. I would apologize for spending time on it were it not for my belief that fuzzy thinking regarding capital and profits is so prevalent that we need to get back to fundamentals. Business profits have deliberately been made into a highly-charged emotional issue in Canada in recent years. In consequence, few political figures are ready to risk defending profits and explaining what they are all about. Even some businessmen shy away from public discussion of the subject. This underestimates the crying need for both sides to be heard as well as public willingness to listen and learn. Better understanding would contribute immeasurably to improved functioning of our system. The process of informing should be going on all the time without pause.

One aspect of this process would be to mobilize more effective resistance to high levels of government spending. Over the past 25 years we have seen government expenditures grow from 23 per cent of a gross national product of \$17 billion to their present 40 per cent of a gross national product of \$140 billion.

A good many of the things government does with taxpayers' money are necessary and as desirable economically as they are socially. It is when the government undertakes activities that private enterprise could do better that we are all made that much poorer. It is when governments tax and divert money into marginal or loss-making activities that productive enterprise is thwarted.

Unfortunately, there is no automatic light anywhere that flashes a warning when governments are undertaking the wrong things or are trying to do too much for too many. It is a matter of judgment; it is a matter of balancing the trade-offs. One of the trade-offs we can be sure of is that if present trends continue, the private sector will not be able to fulfill society's expectations of tomorrow's production.

Equally, I am convinced there is absolutely no hope of curing inflation unless or until governments at all levels begin to put the brakes on their spending. Current rates of inflation are disastrous for the capital markets. On the basis of present rates of interest, inflation and taxes, it is difficult to generate demand for debt instruments and if these are unattractive, how can there be any appeal in equity yielding 5 or 6 per cent? With equity out of favor and below book

value, expansion of Canadian industry has been through corporate takeover instead of spending on new plant and machinery. The circle is complete when the rate of expansion in new plant and machinery is less than growth in the labor force thereby placing a drag on productivity and constituting a major source of inflation.

There are occasional hopeful signs that the government cares about capital formation. One of these was the provision in the last budget to exempt the first \$1,000 of interest income. But the same budget levied a surcharge on corporate income taxes and did nothing to curtail expenditures.

We have a right to expect better than this. We need tax and spending policies that are consistent in their encouragement of investment in the country's productive base. We need sensible and speedy resolution of intergovernmental conflicts that are all but taxing out of existence some key resource activities. We need that combination of fiscal and monetary policies that will stimulate investment of equity capital in particular.

We have never had large enough pools of equity capital in this country to supply even a modest part of our national development needs. One result of this has been a heavy reliance on equity from outside the country. This has produced a degree of foreign ownership which many people now find excessive.

Another result has been a weakening of the innovative and creative capacities of Canadian companies, who too often have to revert to the old and the routine because it is easier to borrow than to raise equity money.

Borrowed capital has its place and it is an important one. But its orientation is towards the past and the present, not the unknowable future. The avoidance of risk is of the essence of the lender's function. Hence it is vain to look in that direction for money to explore new oil and gas reserves, to locate and open up new mineral deposits, or to embark on major plant expansions predicated on estimates of future markets. These have always been high-risk activities. Some of them are riskier than ever now that we have to push farther and farther into frontier regions. All of them are more expensive to undertake now that costs are skyrocketing. Venture capital on a scale heretofore not imagined will thus be needed. It will not be found unless the reasonable possibility is offered, the prospect held out that fair profits can be earned.

Canadian Pacific Investments is a Canadian enterprise with enough strength and range to enable it to compete with other world-scale companies. Its management combines experience in many fields with initiative and a dynamic approach to future

development. Given an appropriate climate in which the legitimate expectations of an investor can be met, the company hopes to demonstrate capabilities which will encourage more and more Canadians to choose it as an investment through which they can profitably participate in economic growth.

And finally, a very sincere word of appreciation for the efforts of all those knowledgeable and hard-working people in the operating companies. I was not privileged to play a part in the results of 1974 but my brief tenure with CPI has established firmly in my mind that the operating companies are in most competent hands and the management of CPI is wholly dedicated in their support. On behalf of the shareholders and the directors, I extend a most sincere thank you.

Canadian Pacific Investments Limited

Canadian Pacific Investments Limited

To the Shareholders:

AUG 18 1975


Consolidated net income for the first half of 1975 was \$74.4 million, an increase of \$11.2 million, or 18%, over the same period of 1974. After preferred dividends, earnings per common share increased to \$1.27 from \$1.13 a year ago.

The higher earnings of the first six months reflect not only the significant gain attributable to the acquisition of control of The Algoma Steel Corporation in July, 1974, but also increased income from oil and gas, coal mining, newsprint and pulp, and real estate operations. Earnings from metal mining, logging and hotel operations were down. Investment income was also lower, chiefly because of higher interest charges and the inclusion in the first half of last year of dividends from Algoma Steel, whose results are consolidated this year.

Better product prices were the principal contributing factor to the growth of income of PanCanadian Petroleum and Great Lakes Paper. Fording Coal likewise benefited from price increases and, in addition, from higher production. Fording reported a profit of \$4.5 million in the current year, compared with a loss of \$1.2 million in the first half of 1974.

Cominco's earnings from metals declined primarily due to a sharp reduction in demand for zinc, but this was partially offset by continuing satisfactory results from fertilizers and from international operations. Low prices and levels of demand for logs and lumber accounted for a loss of \$900,000 by Pacific Logging in contrast to a profit of \$3.8 million in the first six months of 1974.

The pattern evident in the earnings of the first half of 1975 is not likely to be much different in the last half of the year. The principal gains will continue to come from PanCanadian, Fording and Marathon Realty, due to further improvement in oil, natural gas and coal prices and additional income from new revenue properties. Weaknesses in markets for lead, zinc and lumber, and generally lower hotel occupancy rates are expected to persist through the balance of 1975 and to depress earnings of Cominco, Pacific Logging and CP Hotels. The outlook for Algoma Steel and Great Lakes Paper is, at present, unclear. The level of demand for steel in the coming months is difficult to predict and Great Lakes Paper faces major labour negotiations.


President


Chairman and
Chief Executive Officer

Montreal, August 6, 1975.

Statement of Consolidated Income

| | Quarter ended June 30 | | Subject to audit Six months ended June 30 | |
|--|--------------------------|------------------------|---|----------|
| | 1975 | 1974 (in thousands) | 1975 | 1974 |
| Oil and gas * | \$ 9,935 | \$10,414 | \$24,440 | \$18,185 |
| Mines and minerals * | 15,697 | 16,189 | 27,650 | 26,946 |
| Forest products * | 2,106 | 3,474 | 5,047 | 8,128 |
| Iron and steel * | 7,175 | — | 13,073 | — |
| Real estate and related operations | 2,586 | 1,647 | 4,019 | 2,765 |
| Hotels and food services | 1,070 | 1,224 | 961 | 2,018 |
| Finance | 348 | 256 | 619 | 456 |
| Other operations | (48) | — | (138) | — |
| Investment income | (713) | 2,728 | (1,230) | 4,713 |
| Net income (after income taxes of \$43,274,000; 1974 — \$55,469,000; six months \$79,381,000; 1974 — \$88,596,000) | \$38,156 | \$35,932 | \$74,441 | \$63,211 |
| Earnings per common share | \$0.65 | \$0.64 | \$1.27 | \$1.13 |
| Fully diluted earnings per common share | 0.62 | | 1.22 | |

* After interest of outside shareholders.

Statement of Changes in Consolidated Financial Position

| Source of Funds | Six months ended June 30 | |
|---|-----------------------------|-----------|
| | 1975 (in thousands) | 1974 |
| Funds from operations * | \$201,915 | \$161,188 |
| Sale of investments | 6,238 | 5,356 |
| Capital stock issued | — | 3,677 |
| Issuance of long term debt | 306,857 | 24,653 |
| Proceeds from disposal of properties | 3,765 | 1,593 |
| | \$518,775 | \$196,467 |
| Application of Funds | | |
| Additions to properties | \$204,413 | \$ 88,271 |
| Additions to investments | 13,496 | 44,152 |
| Additions to lease receivables | 11,595 | 16,738 |
| Reduction in long term debt | 84,825 | 20,162 |
| Dividends declared | 18,736 | 18,982 |
| Dividends paid outside shareholders of subsidiaries | 20,860 | 16,089 |
| Sundries (net) | 3,382 | 3,304 |
| Increase in working capital | 161,468 | (11,231) |
| | \$518,775 | \$196,467 |

* Net income before the following: depreciation, depletion, amortization, deferred income taxes, equity in income retained by associated company and outside shareholders' interest in income of subsidiaries.

Canadien Pacifique
LimitéeInvestissements Canadien Pacifique
Limitée

Rapport aux actionnaires

Le revenu net consolidé pour le premier semestre de 1975 s'est élevé à \$74.4 millions, soit une augmentation de \$11.2 millions, ou 18%, sur la même période en 1974. Compte tenu des dividendes privilégiés, le revenu par action ordinaire est de \$1.27 contre \$1.13 il y a un an.

Cette augmentation des bénéfices pour le premier semestre est non seulement attribuable à l'obtention d'une participation majoritaire dans The Algoma Steel Corporation en juillet 1974, mais est également le reflet des hausses de revenus dans les domaines du pétrole et du gaz naturel, des mines de charbon, du papier journal et des pâtes et papiers, ainsi que des opérations immobilières. Les bénéfices produits par l'extraction de minerais, l'exploitation forestière et l'hôtellerie sont en baisse. Le revenu des investissements a également été assez faible, à cause surtout du taux d'intérêt plus élevé et de l'inclusion au cours du premier semestre de l'an dernier de dividendes en provenance d'Algoma Steel, dont les résultats sont consolidés cette année.

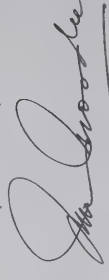
La monté du prix des produits représente le facteur prépondérant de l'augmentation des revenus de Pan-Canadian Petroleum et de Great Lakes Paper. Fording Coal a aussi bénéficié des hausses de prix et, en outre, d'une plus forte production. Fording a signalé des bénéfices de \$4.5 millions pour l'année en cours par rapport à une perte de \$1.2 million pour le premier semestre de 1974.

Les bénéfices que Cominco tire de ses métaux ont baissé principalement à cause d'une forte compression de la demande de zinc, ce qui a été partiellement compensé par des résultats soutenus dans les domaines des engrais et des opérations internationales. Les bas prix et la faible demande de grumes et bois d'œuvre sont la cause de la perte de \$900 000 de Pacific Logging, ce qui contraste avec les bénéfices de \$3.8 millions pour les six premiers mois de 1974.

La tendance qui s'est manifestée dans les bénéfices au cours des six premiers mois de 1975 ne changera pas beaucoup pour les six derniers mois de l'année. Les gains continueront à provenir surtout de PanCanadian, de Fording et de la Société Immobilière Marathon, étant donné les pronostics d'une persistance de la courbe ascendante des prix du pétrole, du gaz naturel et du charbon et d'un accroissement des gains tirés des propriétés à revenus. On s'attend à ce que la faiblesse des marchés du plomb, du zinc et du bois d'œuvre, ainsi qu'un plus bas taux d'occupation des hôtels persistent en 1975, ce qui fera baisser les bénéfices de

Cominco, de Pacific Logging et de CP Hôtels. Dans le cas d'Algoma Steel et de Great Lakes Paper, les perspectives sont incertaines. Il est difficile de prédire quel sera le volume de la demande d'acier au cours des prochains mois et Great Lakes Paper est engagé en ce moment dans d'importantes négociations collectives.

Le président,



Montréal, le 6 août 1975

Le président du conseil
et chef de la direction,


Sous réserve de vérification
trimestre terminé le 30 juin
semestre terminé le 30 juin

| Résultats Consolidés | 1975 | 1974 (en milliers) | 1975 | 1974 |
|-----------------------------------|----------|-----------------------|----------|----------|
| Pétrole et gaz naturel * | \$ 9 935 | \$10 414 | \$24 440 | \$18 185 |
| Produits miniers * | 15 697 | 16 189 | 27 650 | 26 946 |
| Produits forestiers * | 2 106 | 3 474 | 5 047 | 8 128 |
| Fer et acier * | 7 175 | — | 13 073 | — |
| Immobilier et opérations connexes | 2 586 | 1 647 | 4 019 | 2 765 |
| Hôtellerie et restauration | 1 070 | 1 224 | 961 | 2 018 |
| Sociétés de financement | 348 | 256 | 619 | 456 |
| Autres secteurs | (48) | — | (138) | — |
| Investissements | (713) | 2 728 | (1 230) | 4 713 |

Bénéfices nets (après impôts de \$43 274 000;

1974 — \$55 469 000; six mois \$79 381 000;

1974 — \$88 536 000)

Bénéfices par action ordinaire

Bénéfices entièrement dilués par action ordinaire

*Après intérêt d'actionnaires étrangers au groupe.

| | 1975 | 1974 (en milliers) |
|----------|----------|-----------------------|
| \$38 156 | \$35 932 | \$63 211 |
| \$0.65 | \$0.64 | \$1.13 |
| 0.62 | 1.22 | |

Évolution de la situation financière consolidée

Rentrées

| | | |
|---------------------------------------|-----------|-----------|
| Produits de l'exploitation * | \$201 915 | \$161 188 |
| Ventes de placements | 6 238 | 5 356 |
| Emission de titres | — | 3 677 |
| Dettes à long terme | 306 857 | 24 653 |
| Produit de vente de biens immobiliers | 3 765 | 1 593 |
| | \$518 775 | \$196 467 |

Sorties

| | | |
|--|-----------|-----------|
| Biens immobiliers | \$204 413 | \$ 88 271 |
| Portefeuille | 13 496 | 44 152 |
| Locations à percevoir | 11 595 | 16 738 |
| Réduction de la dette à long terme | 84 825 | 20 162 |
| Dividendes de l'exercice | 18 736 | 18 982 |
| Dividendes payés aux actionnaires étrangers des filiales | 20 860 | 16 089 |
| Divers (net) | 3 382 | 3 304 |
| Augmentation du fonds de roulement | 161 468 | (11 231) |
| | \$518 775 | \$196 467 |

*Bénéfices nets avant les postes suivants: amortissement et épuiement, impôts reportés, quote-part des bénéfices d'une compagnie affiliée; et participation d'actionnaires étrangers aux bénéfices des filiales.

Reference: Robert Rice
Montreal
(514) 861-6811

Release: Immediate, March 27, 1975

MAR 31 1975

CPI 1974 ANNUAL REPORT OUTLINES
STEPS TO BROADEN EARNINGS BASE

MONTREAL - Major steps were taken in 1974 to broaden the earnings base of Canadian Pacific Investments Limited through a program of new acquisitions and the expansion or diversification of existing operations.

The company's annual report, released today, outlines the contribution this program made to the achievement of record earnings in 1974 and the equally important role it is expected to play during 1975.

The most significant step taken during 1974 was the acquisition of control of The Algoma Steel Corporation, Limited which established an important position for CPI in manufacturing. Consolidation of Algoma's results from July onwards accounted for a substantial addition to 1974 earnings.

MORE

On a different scale, CPI moved into another new area with the formation of CanPac Waste Disposal Systems Limited to engage in the rapidly-developing field of waste recycling and disposal.

In addition to these new ventures, each sector of the company's natural resources extraction and processing operations and its hotel and real estate activities moved forward on expansion or diversification projects to ensure continuing earnings growth.

"In 1975 the company faces the challenge of improving on a record year, during a downswing of the economic cycle," the report says. "At this time it seems likely that improvement in earnings will be achieved from the broader and stronger earnings base that has been progressively built up.

"The extent of such improvement, however, depends very much on the course taken by current recessionary trends. If, as is expected, the economies of Canada and her major trading partners rebound in the last half of 1975, the company is well structured to share in a new surge of growth."

MORE

The immediate outlook is best for oil and gas, steel and coal. It is good for newsprint and pulp, moderately good for base metals and uncertain for logs and lumber. The outcome of negotiations of subsidiary company labor contracts which terminate in 1975 will have an important bearing on the year's results.

"Over the longer term, the dynamic capacity of this company, as well as of many other Canadian companies, can be put to best use if governments avoid policies which penalize efficiency and inhibit risk-taking," the report says.

CPI had net income of \$130.6 million or \$2.29 per common share in 1974, compared with \$75.2 million or \$1.40 per common share in 1973. On a fully-diluted basis, which assumes that all the outstanding preferred shares are converted to common shares, earnings per common share in 1974 amounted to \$2.16.

The largest increases in earnings came from mines and minerals and oil and gas, but gains in income from newsprint and pulp, real estate, hotels and finance were significant. The only major weakness was log and lumber operations which suffered from the severe decline in housing construction.

MORE

For the second consecutive year, PanCanadian Petroleum Limited drilled more wells in Canada in 1974 than any other operator. Production of natural gas increased eight per cent but, for the first time in the company's history, crude oil production decreased. This reflected loss of markets for medium and heavy gravity crude oil due to the imposition of the Federal oil export tax.

Panarctic Oils Ltd., in which CPI holds a 12.6 per cent net interest through PanCanadian and Cominco Ltd., continued a large and active exploration program in the Canadian Arctic. A promising oil find was made on Cameron Island and a successful offshore well raised estimates of the reserves of the Hecla gas field.

Cominco's revenues reached an all-time high in 1974 due to strengthened prices for all its products. Production of refined zinc, lead and fertilizers was substantially less than in 1973 because of a protracted strike which shut down those operations in British Columbia. Improved prices for potash were largely absorbed by the raising of mineral and royalty taxes in Saskatchewan to oppressive levels, the report says.

MORE

Increased demand and rising prices for coal and potash resulted in higher earnings for CanPac Minerals Limited. Fording Coal Limited earned \$1.2 million in 1974, compared with a loss of \$5.9 million in 1973, as a result of a price increase and improved productivity. Both companies are owned 60 per cent by CPI and 40 per cent by Cominco.

The Great Lakes Paper Company, Limited had record revenues and earnings as a result of strong demand for its products and improved prices for newsprint and pulp. Shipments of newsprint and pulp were lower than in 1973, mainly because of a seven-week strike of woodlands employees late in the year that eventually shut down all operations. Target dates for completion of the various stages of Great Lakes' multi-million dollar diversification program are being met.

Pacific Logging Company Limited results held up reasonably well for the first half of 1974 in spite of poor logging conditions and some weakness in Japanese and United States lumber markets. In the last half of the year, these markets virtually collapsed and this, together with a strike of woodworkers in British Columbia, caused a drastic falloff in earnings.

MORE

Pacific Logging's production costs have risen substantially due to the wage settlement that ended the strike, increased stumpage payments to the B.C. government and costs for additional logging roads to meet provincial forestry guidelines.

Algoma Steel is engaged in an expansion program at its Sault Ste. Marie, Ont., plant which will increase raw steel capacity from 2.8 to 4.0 million tons per year by late 1975. Concurrently, facilities for production of a wide range of finished steel products are being improved and enlarged. Shipments, sales and earnings all reached record levels in 1974 as a result of very strong demand for steel, an improved product mix, greater efficiency of new facilities and higher product prices.

Property acquisitions and completion of projects across the country improved the earnings potential of Marathon Realty Company Limited and this was reflected in higher net income in 1974.

Expansion of operations and competitive advantages provided by renovation programs were important factors in higher CP Hotels earnings.

MORE

MARCH 6, 1975

RECD MAIL 8

Notice of Annual and Special General Meeting of Shareholders

The Annual and a Special General Meeting of the Shareholders of Canadian Pacific Investments Limited will be held on Friday, May 2nd, 1975, at Le Château Champlain, Place du Canada, Montreal, Quebec, at 11:00 A.M. (daylight saving time, if operative), for the following purposes:

- a. to receive the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon, for the year ended December 31st, 1974;
- b. to consider and, if deemed fit, to sanction By-law No. 14, enacted by the Board of Directors on August 30th, 1974, amending General By-laws 1 and 2 by adding the Chairman of the Company to those who may call meetings of the Board of Directors and of the Executive Committee and sign documents and by permitting the directors to include the Chairman of the Company as one of the designated officers who may be directed and authorized to borrow upon the credit of the Company;
- c. to consider and, if deemed fit, to sanction By-law No. 15, enacted by the Board of Directors on August 30th, 1974, providing for a new seal containing the words Canadian Pacific Investments Limited, Investissements Canadien Pacifique Limitée, pursuant to Supplementary Letters Patent issued on June 12th, 1974 authorizing a change of name of the Company;
- d. to consider and, if deemed fit, to sanction By-law No. 16, enacted by the Board of Directors on March 6th, 1975, increasing the number of Directors of the Company from twelve to fourteen;
- e. to consider and, if deemed fit, to sanction By-law No. 17, enacted by the Board of Directors on March 6th, 1975, reinforcing the powers of the Executive Committee by the removal of the requirement for ratification of their actions by the Board of Directors;
- f. to elect Directors;
- g. to appoint the Auditors and to authorize the Board of Directors to fix their remuneration; and
- h. to transact such other business as may properly come before the meeting.

The Board of Directors has by resolution fixed the time, before which proxies to be used at the Annual and Special General Meeting or any adjournments thereof must be deposited at Montreal, Quebec, with the Company or the Montreal Trust Company as Agent for the Company, at twenty-four hours, excluding Saturdays and holidays, preceding the Annual and Special General Meeting or any adjournments thereof.

By order of the Board,
G. S. MacLean, Secretary.

Montreal, March 6th, 1975.

Note: If you are unable to attend the meeting in person, please complete and return the enclosed form of proxy.

Information Circular

(Dated as of February 28th, 1975)

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation by the Management of Canadian Pacific Investments Limited of proxies for use at the Annual and Special General Meeting of Shareholders of the Company to be held on Friday, May 2nd, 1975, at Le Château Champlain, Montreal, Quebec, and at any adjournments thereof. The total cost of solicitation will be borne by the Company.

Appointment of Nominees and Revocation of Proxies

At all meetings of Shareholders of the Company every Shareholder is entitled to give one vote for each share then held by him and such vote may be given in person or by proxy whether or not the nominee appointed by such proxy is himself a Shareholder.

A Shareholder giving a proxy may revoke the proxy by instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of such meeting on the day of the meeting, or adjournment thereof.

Voting Shares as Specified

Shares represented by properly executed proxies in favour of the persons designated thereon will be voted or withheld from voting, as specified therein, on any ballot that may be called for and, where the Shareholder executing such proxy specifies a choice with respect to any matter to be acted upon, such shares will be voted in accordance with any specification so made. IN THE ABSENCE OF SUCH SPECIFICATION SUCH SHARES WILL BE VOTED "FOR".

Exercise of Discretion by Nominees

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, and with respect to other matters which may properly come before the meeting. At the date of this Information Circular, the Management of the Company knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the notice of meeting.

Voting Shares

On February 28th, 1975, the Company had outstanding 58,096,018 Common Shares without nominal or par value, each carrying one vote, and 1,350,729 $4\frac{3}{4}\%$ Cumulative Redeemable Convertible Voting Preferred Shares, Series A, each carrying one vote. The Company has not fixed a record date and, in accordance with the Canada Corporations Act, Section 105(5), the failure of any Shareholder of the Company to receive a notice of the time and place for holding a meeting of Shareholders of the Company does not deprive the Shareholder of a vote at the meeting if the Shareholder is registered on the books of the Company at least forty-eight hours, excluding Saturdays and holidays, before the time set for the meeting. As of February 28th, 1975, Canadian Pacific Limited owned 50,000,000 Common Shares representing 84.11% of the voting rights attached to all equity shares of the Company.

By-law Amendments

The Meeting has been called as a Special General Meeting of Shareholders for the purpose of considering and, if deemed fit, sanctioning By-laws 14, 15, 16 and 17. By-law No. 14, enacted by the Board of Directors on August 30th, 1974, amends General By-laws 1 and 2 by adding the Chairman of the Company to those who may call meetings of the Board of Directors and the Executive Committee and sign documents and by permitting the directors to include the Chairman of the Company as one of the designated officers who may be directed and authorized to borrow upon the credit of the Company. By-law No. 15, enacted by the Board of Directors on August 30th, 1974, provides for a new seal containing the words Canadian Pacific Investments Limited, Investissements Canadien Pacifique Limitée, pursuant to Supplementary Letters Patent issued on June 12th, 1974, authorizing a change of name of the Company. By-law No. 16, enacted by the Board of Directors on March 6th, 1975, provides for an increase in the number of Directors of the Company from twelve to fourteen. By-law No. 17, enacted by the Board of Directors on March 6th, 1975, reinforces the powers of the Executive Committee by the removal of the requirement that their actions be ratified by the Board of Directors. Sanction of By-laws Nos. 14, 16 and 17 will require the affirmative vote of at least two-thirds of the votes cast at the meeting. Sanction of By-law No. 15 will require the affirmative vote of a majority of the votes cast at the meeting.

Election of Directors

With the sanctioning of By-law No. 16 by the Shareholders, the Board of Directors shall consist of fourteen Directors. Each Director elected will hold office until the next Annual Meeting of Shareholders and until his successor is duly elected. The persons listed on the following page, except Dr. John Macnamara and Mr. Angus A. MacNaughton who are not now Directors, will retire as Directors at the forthcoming Annual and Special General Meeting on May 2nd, 1975 and they are eligible and will be nominated for re-election. In addition thereto, Messrs. Macnamara and MacNaughton are eligible and will be nominated for election as Directors. The management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Information as of February 28th, 1975, as to the fourteen nominees (excepting Dr. John Macnamara and Mr. Angus A. MacNaughton for whom the information is as of March 6th, 1975) is as follows:

| Names of Nominees and Offices held in Company | Date on which present term of office expires | Principal occupation or employment | Director since | Equity securities of Canadian Pacific Investments Limited or its subsidiaries beneficially owned |
|---|--|---|----------------|---|
| *†W. A. Arbuckle | May 2, 1975 | Chairman of the Canadian Board, The Standard Life Assurance Company, Montreal. | 1964 | 10,000 Common Shares of C.P. Investments Limited 1,000 Common Shares of Cominco Ltd. |
| * F. S. Burbidge | May 2, 1975 | President, Canadian Pacific Limited, Montreal. | 1972 | 400 Common Shares of C. P. Investments Limited 100 Common Shares of Cominco Ltd. |
| F. E. Burnet | May 2, 1975 | Chairman and Chief Executive Officer, Cominco Ltd., Vancouver, engaged in the business of mining, metals, chemicals, and fertilizers. | 1973 | 400 Common Shares of C.P. Investments Limited 1,197 Common Shares of Cominco Ltd. |
| *†A. M. Campbell | May 2, 1975 | Chairman, Sun Life Assurance Company of Canada, Montreal. | 1962 | 7,700 Common Shares of C.P. Investments Limited |
| R. W. Campbell | May 2, 1975 | Chairman of the Board and Chief Executive Officer, PanCanadian Petroleum Limited, Calgary, engaged in exploration, production, transportation, processing and marketing of oil and gas. | 1973 | 200 Common Shares of C.P. Investments Limited 100 Common Shares of PanCanadian Petroleum Limited |
| Dr. John Macnamara | | Executive Vice-President, The Algoma Steel Corporation, Limited, Sault Ste. Marie, a fully integrated iron and steel production company. | | 200 Common Shares of C.P. Investments Limited 1,298 Common Shares of The Algoma Steel Corporation, Limited |
| Angus A. MacNaughton | | President, Genstar Limited, Montreal, engaged in diversified industrial operations. | | 500 Common Shares of C.P. Investments Limited |
| * W. Moodie, President | May 2, 1975 | President, Canadian Pacific Investments Limited, Montreal. | 1974 | 500 Common Shares of C.P. Investments Limited 100 Common Shares of Cominco Ltd. |
| †S. E. Nixon | May 2, 1975 | Corporate Director and Financial Consultant, Montreal. | 1962 | 1,000 Pfd. Shares, Series A of C.P. Investments Limited 100 Common Shares of Cominco Ltd. |
| Paul L. Paré | May 2, 1975 | President and Chief Executive Officer, Imasco Limited, Montreal, a parent operating company with tobacco, food and retail divisions. | 1974 | 5,000 Common Shares of C.P. Investments Limited |
| †H. M. Pickard | May 2, 1975 | Chairman and Chief Executive Officer, Marathon Realty Company Limited, Calgary, engaged in the business of a real estate investment and development company. | 1970 | 4,000 Common Shares of C.P. Investments Limited 100 Common Shares of Cominco Ltd. 500 Common Shares of PanCanadian Petroleum Limited |
| * Ian D. Sinclair, Chairman and Chief Executive Officer | May 2, 1975 | Chairman and Chief Executive Officer, Canadian Pacific Limited, Montreal. | 1962 | 30,000 Common Shares of C.P. Investments Limited 100 Common Shares of Cominco Ltd. 100 Common Shares of The Great Lakes Paper Company, Limited 100 Common Shares of PanCanadian Petroleum Limited |
| R. D. Southern | May 2, 1975 | President and Chief Executive Officer, ATCO Industries Limited, Calgary, engaged in manufacturing. | 1974 | 1,000 Common Shares of C.P. Investments Limited |
| W. J. Stenason, Executive Vice-President | May 2, 1975 | Executive Vice-President, Canadian Pacific Investments Limited, Montreal. | 1974 | 200 Common Shares of C.P. Investments Limited 405 Common Shares of Cominco Ltd. 500 Common Shares of The Algoma Steel Corporation, Limited 500 Common Shares of The Great Lakes Paper Company, Limited 300 Common Shares of PanCanadian Petroleum Limited |

* Member of Executive Committee

† Member of Audit Committee

Dr. John Macnamara has been a Vice-President of The Algoma Steel Corporation, Limited since 1971 and, prior thereto, for three years, was Divisional Superintendent Primary Production of that Company.

Mr. Angus A. MacNaughton has been President of Genstar Limited since 1973 and, prior thereto, for more than three years, was Executive Vice-President and Vice-President of that Company.

Mr. W. Moodie had been a Vice-President of The Royal Bank of Canada since 1971 and, prior thereto, since 1967 was General Manager, Loans and Investments of The Royal Bank of Canada.

Remuneration of
Management and Others

Aggregate direct remuneration paid or payable to the Directors and to the Officers of the Company in 1974:

| <u>Paying Company</u> | <u>Paid or payable to Directors, as Directors</u> | <u>Paid or payable to Officers, as Officers</u> |
|--|---|---|
| Canadian Pacific Investments Limited | \$47,160.83 | \$177,337.09 |
| Marathon Realty Company Limited | — | 54,583.34 |
| PanCanadian Petroleum Limited | 10,350.00 | 92,600.00 |
| Cominco Ltd. | 41,594.00 | 150,000.00 |
| Midland Simcoe Elevator Company, Limited | 400.00 | — |
| The Great Lakes Paper Company, Limited | 9,000.00 | 4,200.00 |
| Pine Point Mines Limited | 2,400.00 | — |
| The Algoma Steel Corporation, Limited | 11,725.00 | — |
| West Kootenay Power and Light Company, Limited | 350.00 | 7,500.00 |

The estimated aggregate cost to the Company and its subsidiaries in 1974 of all pension benefits proposed to be paid under any normal pension plan in the event of retirement at normal retirement age, directly or indirectly, by the Company or any of its subsidiaries to the persons mentioned in the foregoing table was \$14,187.

Interest of Management and Others in Material Transactions during period January 1st, 1974 — February 28th, 1975

Mr. Ian D. Sinclair, a Director and Chairman and Chief Executive Officer of the Company, is an Officer and Director of Canadian Pacific Limited, Canadian Pacific Securities Limited and Cominco Ltd. Mr. W. Moodie, a Director and President of the Company, is an Officer and Director of Canadian Pacific Securities Limited. Mr. F. S. Burbidge, a Director of the Company, is an Officer and Director of Canadian Pacific Limited. Mr. F. E. Burnet, a Director of the Company, is an Officer and Director of Cominco Ltd. Mr. H. M. Pickard, a Director of the Company, is an Officer and Director of Marathon Realty Company Limited. Mr. W. J. Stenason, a Director and Executive Vice-President of the Company, is an Officer and Director of CanPac Leasing Limited and Commandant Properties, Limited.

Canadian Pacific Investments Limited (CPI)

CPI has undertaken to guarantee the short and long term obligations of its wholly-owned subsidiary, Canadian Pacific Securities Limited, up to an amount fixed by the Board of Directors. At February 28th, 1975, the total amount guaranteed, including accrued interest, was approximately \$340,687,742. CPI has guaranteed payment of 60% of the principal and interest of bank loans made to Fording Coal Limited in which CPI has a 60% interest. The amount guaranteed as at February 28th, 1975 was \$39,000,000.

CPI has guaranteed a \$2.7 million loan made by the Export-Import Bank of the United States to its wholly-owned subsidiary, CanPac Leasing Limited.

CPI acquired all the outstanding shares of Commandant Properties, Limited from Canadian Pacific Limited for the sum of \$3,152,700 paid partly in cash and partly by the issuance of income debentures.

Canadian Pacific Hotels Limited (CPH)

CPH purchased the Palliser Hotel at Calgary, Alberta from Canadian Pacific Limited for \$2 million. CPH purchased Le Château Montebello at Montebello, Quebec from Canadian Pacific Limited for \$2,894,000.

Canadian Pacific Securities Limited (CPSL)

During the period loans made by CPSL to CPI and its associate or affiliate companies, less loans repaid by the respective companies, were as follows:

| | |
|--|--------------|
| Canadian Pacific Hotels Limited | \$14,899,000 |
| CanPac Leasing Limited | 15,535,000 |
| Marathon Realty Company Limited | 3,987,000 |
| The Great Lakes Paper Company, Limited | 13,268,000 |
| Pacific Logging Company Limited | 6,306,000 |

CanPac Leasing Limited (CanPac Leasing)

CanPac Leasing entered into a lease with PanCanadian Petroleum Limited, at market rates, under which the amount receivable, including unearned income, amounted to \$2,173,000 at February 28th, 1975.

Cominco Ltd. (Cominco)

Cominco has guaranteed payment of 40% of the principal and interest of bank loans made to Fording Coal Limited in which Cominco has a 40% interest. The amount guaranteed as at February 28th, 1975 was \$26,000,000.

Marathon Realty Company Limited (Marathon)

Marathon purchased one hundred acres of the Angus Shop lands at Montreal, Quebec from Canadian Pacific Limited for a consideration of \$4,200,000.

Appointment of Auditors

Price Waterhouse & Co. have served as Auditors of the Company for more than eight years and will be nominated for reappointment to the office of Auditors of the Company for a term expiring at the close of the next Annual Meeting of Shareholders to be held in 1976, at a remuneration to be fixed by the Board of Directors.

By Order of the Board,
G. S. MacLean, Secretary.

Dated at Montreal, Quebec, as of February 28th, 1975.

Ensemble des rémunérations directes versées ou à verser aux membres du conseil d'administration et aux cadres de la Compagnie en 1974:

| | |
|---|--|
| Rémunérations versées ou à verser aux membres du conseil d'administration, à ce titre | Rémunérations versées ou à verser aux cadres, à ce titre |
|---|--|

| | | |
|--------------------------|-------------|--------------|
| Investissements Canadien | \$47 160.83 | \$177 337.09 |
| Pacifique Limitée | | |
| La Société Immobilière | | |

| | | | |
|--------------|-----------|-----------|------------|
| \$47 160.83 | — | 10 350.00 | 14 594.00 |
| \$177 337.09 | 54 583.34 | 92 600.00 | 150 000.00 |

| | | | |
|------------|-----------|-----------|--------------|
| 150 000.00 | 92 600.00 | 54 583.34 | \$177 337.09 |
|------------|-----------|-----------|--------------|

| | | |
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| \$47 160.83 | — | 92 600.00 |
| \$177 337.09 | 54 583.34 | |

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|-----------|-----------|------------|--------|
| — | 10 350.00 | 41 594.00 | 400.00 |
| 54 583.34 | 92 600.00 | 150 000.00 | |

| | |
|-----------|------------|
| 10 350.00 | 92 600.00 |
| 41 594.00 | 150 000.00 |
| 400.00 | |
| 9 000.00 | 4 200.00 |
| 2 400.00 | |

| | | |
|-----------|----------|----------|
| 400.00 | 9 000.00 | 4 200.00 |
| 2 400.00 | — | — |
| 11 725.00 | — | 7 500.00 |
| 350.00 | | |

| | |
|-----------|----------|
| 2 400.00 | — |
| 11 725.00 | — |
| 350.00 | 7 500.00 |

| | | | |
|-----------|--------|----------|--|
| 11 720.00 | 350.00 | 7 500.00 | <p>ur la Compagnie et ses filiales, au cours de l'année 1974, de toutes les e se propose de payer en vertu d'un régime normal de pension advenant e la retraite, directement ou indirectement, la Compagnie ou l'une quel- personnes mentionnées sur le tableau ci-dessus, s'est élevé à \$14 187.</p> <p>du conseil d'administration et président du conseil et chef de la direc- membre de la direction et du conseil d'administration de Canadien</p> |
|-----------|--------|----------|--|

ur la Compagnie et ses filiales, au cours de l'année 1974, de toutes les se propose de payer en vertu d'un régime normal de pension advenant la retraite, directement ou indirectement, la Compagnie ou l'une quel- personnes mentionnées sur le tableau ci-dessus, s'est élevé à \$14 187.

la retraite, directement ou indirectement, la Compagnie ou l'une quel-
conques personnes mentionnées sur le tableau ci-dessus, s'est élevée à \$14 187.
du conseil d'administration et président du conseil et chef de la direc-
tion Pacific Securities Limited et Cominco Ltée, M. W. Moodie, membre du
président de la Compagnie, est membre de la direction et du conseil
Pacific Securities Limited, M. F. S. Burbridge, membre du conseil
d'administration et du conseil d'administration de
M. F. E. Burnet, membre du conseil d'administration de la Compagnie,
et du conseil d'administration de Cominco Ltée, M. H. M. Pickard, mem-
bre de la Compagnie, est membre de la direction et du conseil d'admini-

[illegible][illegible]

Le 60 % du capital et des intérêts des emprunts bancaires effectués par l'ICP détiennent 60 % des parts. Au 28 février 1975, la garantie s'élevait à \$340 687 742, intérêt compris.

mobilierière Marathon Limitée, M. W. J. Stenason, membre du conseil d'administration, est vice-président exécutif, et membre de la direction et du conseil d'administration de Les Propriétés Commandant Limitée.

Les obligations à court et à long terme de sa filiale en toute propriété, dans la limite d'un plafond fixé par le conseil d'administration, garantie s'élevait à environ \$340 687 742, intérêt compris.

de 60% du capital et des intérêts des emprunts bancaires effectués par l'ICP détient 60% des parts. Au 28 février 1975, la garantie s'élevait à 1,7 millions consenti par la Banque import-export des États-Unis à sa location CanPac Limitée.

Les obligations à court et à long terme de sa filiale en toute propriété, dans la limite d'un plafond fixé par le conseil d'administration, garantie s'élevait à environ \$340 687 742, intérêt compris. L'ICP détient 60% des parts. Au 28 février 1975, la garantie s'élevait à 1,7 millions consenti par la Banque import-export des États-Unis à sa location CanPac Limitée. Pacificque Limitée toutes les actions en circulation de Les Propriétés ennant \$3 152 700 payé en partie au comptant, et en partie en débentures, er à Calgary, Alberta, de Canadien Pacificque Limitée pour \$2 millions.

ICP détient 60% du capital et des intérêts des emprunts bancaires effectués par ICP s'élevait à environ \$340 000 742, intérêt compris.

17 millions consenti par la Banque import-export des États-Unis à sa location CanPac Limitée.
Pacificque Limitée toutes les actions en circulation de Les Propriétés ennant \$3 152 700 payé en partie au comptant, et en partie en déventures.
er à Calgary, Alberta, de Canadien Pacificque Limitée pour \$2 millions.
Pacificque Limitée Le Château Montebello, à Montebello, Québec, pour
a, les prêts consentis par CPSL à ICP et à ses compagnies associées ou
remboursements de prêts antérieurs, se répartissent comme suit:

Pacificque Limitée toutes les actions en circulation de Les Propriétés
 annant \$3 152 700 payé en partie au comptant, et en partie en débetures.
 er à Calgary, Alberta, de Canadien Pacificque Limitée pour \$2 millions.
 Pacificque Limitée Le Château Montebello, à Montebello, Québec, pour
 e, les prêts consentis par CPSL à ICP et à ses compagnies associées ou
 es remboursements de prêts antérieurs, se répartissent comme suit:

| | |
|--|--|
| Pacificque Limitée can Carac Limitée. | \$14 899 000 15 535 000 3 987 000 13 268 000 6 306 000 |
|--|--|

er à Calgary, Alberta, de Canadian Pacific Limited pour \$2 millions.
Pacific Limited Le Chateau Montebello, à Montebello, Québec, pour
e, les prêts consentis par CP&L à ICP et à ses compagnies associées ou
es remboursements de prêts antérieurs, se répartissent comme suit:

| | |
|----------------|--------------|
| imited | \$14 899 000 |
| ation, Limited | 3 987 000 |
| mpany, Limited | 13 268 000 |
| imited | 6 306 000 |

un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu
r, termes non échus compris, s'élève à \$2 173 000 au 28 février 1975.

Les prêts consentis par CP&L à ICP et à ses compagnies associées ou des remboursements de prêts antérieurs, se répartissent comme suit:

| | |
|-----------------|--------------|
| Limitée | \$14 899 000 |
| ration, Limitée | 15 535 000 |
| mpany, Limited | 3 987 000 |
| imited | 13 268 000 |
| | 6 306 000 |

un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu r, termes non échus compris, s'élève à \$2 173 000 au 28 février 1975. ment de 40% du capital et des intérêts des emprunts bancaires effectués dont Cominco détient 40% des parts. Au 28 février 1975, la garantie

Les prêts consentis par CP&L à ICP et à ses compagnies associées ou remboursés par CP&L à ICP et à ses compagnies associées comme suit:

| | |
|--------------|--|
| \$14 899 000 | limited |
| 15 535 000 | rathon, Limited |
| 3 987 000 | mpany, Limited |
| 13 268 000 | imited |
| 6 306 000 | un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu d'un bail non échus compris, s'élève à \$2 173 000 au 28 février 1975. |
| | ment de 40% du capital et des intérêts des emprunts bancaires effectués dont Cominco détient 40% des parts. Au 28 février 1975, la garantie |
| | res du terrain des ateliers Angus, Montréal, Qué. de Canadien Pacifique |
| | nt les vérificateurs de la Compagnie depuis plus de huit ans et la recon- |

un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu d'un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu d'un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu

| | |
|--------------|--|
| \$14 639 000 | |
| 15 535 000 | |
| 3 987 000 | |
| 13 268 000 | |
| 6 306 000 | |

ment de 40% du capital et des intérêts des emprunts bancaires effectués dont Cominco détient 40% des parts. Au 28 février 1975, la garantie

res du terrain des ateliers Angus, Montréal, Qué. de Canadien Pacifique

nt les vérificateurs de la Compagnie depuis plus de huit ans et la recon- sera proposée pour l'exercice se terminant à l'issue de la prochaine

ille des actionnaires de 1976, à une rémunération à fixer par le conseil

un bail avec PanCanadian Petroleum Limited, aux prix courants, en vertu
r, termes non échus compris, s'élève à \$2 173 000 au 28 février 1975.
ment de 40% du capital et des intérêts des emprunts bancaires effectués
dont Cominco détient 40% des parts. Au 28 février 1975, la garantie

nt les vérificateurs de la Compagnie depuis huit ans et la recon-
séra proposée pour l'exercice se terminant à l'issue de la prochaine
ille des actionnaires de 1976, à une rémunération à fixer par le conseil

28 février 1975.

ont les vérificateurs de la Compagnie depuis plus de huit ans et la recon-
séra proposée pour l'exercice se terminant à l'issue de la prochaine
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28 février 1975.

28 février 1975.

28 février 1975.

28 février 1975.

02/10/1971

| Noms des candidats et postes occupés dans la Compagnie | Date d'expiration du mandat | Occupation principale | Administrateur depuis | Nombre de titres de participation d'investissements Canadien Pacificque Limitée ou de ses filiales détenus à titre bénéficiaire |
|--|--------------------------------|---|--------------------------|--|
| W. A. Arbuckle | 2 mai 1975 | Président du conseil d'administration pour le Canada de la Compagnie d'assurance-vie Standard Life, Montréal | 1964 | 10 000 actions ordinaires d'investissements Canadien Pacificque Limitée 1 000 actions ordinaires de Cominco Ltée |
| F. S. Burdidge | 2 mai 1975 | Président Canadien Pacificque Limitée Montréal | 1972 | 400 actions ordinaires d'investissements Canadien Pacificque Limitée 100 actions ordinaires de Cominco Ltée |
| F. E. Burnet | 2 mai 1975 | Président du conseil et chef de la direction Cominco Ltée, Vancouver (mines, métallurgie, produits chimiques, engrais) | 1973 | 400 actions ordinaires d'investissements Canadien Pacificque Limitée 1 197 actions ordinaires de Cominco Ltée |
| T. A. M. Campbell | 2 mai 1975 | Président du conseil Sun Life du Canada, Compagnie d'assurance-vie, Montréal | 1962 | 7 700 actions ordinaires d'investissements Canadien Pacificque Limitée |
| R. W. Campbell | 2 mai 1975 | Président du conseil et chef de la direction PanCanadian Petroleum Limited Calgary (pétrole et gaz, exploration, production, traitement, transport et commercialisation) | 1973 | 200 actions ordinaires d'investissements Canadien Pacificque Limitée 100 actions ordinaires de PanCanadian Petroleum Limited |
| John Macnamara | | Vice-président exécutif The Algoma Steel Corporation, Limited Sault-Sainte-Marie production de fer et d'acier | | 200 actions ordinaires d'investissements Canadien Pacificque Limitée 1 298 actions ordinaires de The Algoma Steel Corporation, Limited |
| Angus A. MacNaughton | | Président Genstar Limitée, Montréal (diverses exploitations industrielles) | 1974 | 500 actions ordinaires d'investissements Canadien Pacificque Limitée 500 actions ordinaires d'investissements Canadien Pacificque Limitée |
| W. Moodie, | 2 mai 1975 | Président Investissements Canadien Pacificque Limitée Montréal | 1974 | 500 actions ordinaires d'investissements Canadien Pacificque Limitée |
| T. S. E. Nixon | 2 mai 1975 | Administrateur de sociétés et conseiller financier Montréal | 1962 | 1 000 actions privilégiées, série A, d'investissements Canadien Pacificque Limitée 100 actions ordinaires de Cominco Ltée |
| Paul L. Paré | 2 mai 1975 | Président et chef de la direction Imasco Limitée, Montréal compagnie mère d'intérêts dans les domaines du tabac, de l'alimentation et du commerce de détail | 1974 | 5 000 actions ordinaires d'investissements Canadien Pacificque Limitée |
| H. M. Pickard | 2 mai 1975 | Président du conseil et chef de la direction La Société Immobilière Marathon, Limitée, Calgary (investissement et développement immobilier) | 1970 | 4 000 actions ordinaires d'investissements Canadien Pacificque Limitée 100 actions ordinaires de Cominco Ltée 500 actions ordinaires de PanCanadian Petroleum Limited |
| Ian D. Sinclair, | 2 mai 1975 | Président du conseil et chef de la direction Canadien Pacificque Limitée Montréal | 1962 | 30 000 actions ordinaires d'investissements Canadien Pacificque Limitée 100 actions ordinaires de Cominco Ltée 100 actions ordinaires de The Great Lakes Paper Company, Limited |
| R. D. Southern | 2 mai 1975 | Président et chef de la direction ATCO Industries Limited, Calgary (industries manufacturières) | 1974 | 1 000 actions ordinaires d'investissements Canadien Pacificque Limitée |
| W. J. Stenason, | 2 mai 1975 | Vice-président exécutif Investissements Canadien Pacificque Limitée Montréal | 1974 | 200 actions ordinaires d'investissements Canadien Pacificque Limitée |
| *Membre du comité exécutif | | M. John Macnamara est vice-président de The Algoma Steel Corporation, Limited depuis 1971 après avoir été, pendant trois ans, surintendant de division, Production primaire, de cette compagnie. M. Angus A. MacNaughton est président de Genstar Limitée depuis 1973 et a été, auparavant, vice-président et vice-président exécutif de cette compagnie pendant trois ans. M. W. Moodie est vice-président de La Banque Royale du Canada depuis 1971 et a été, de 1967 à 1971, directeur général, Prêts et placements, de La Banque Royale du Canada. | | 500 actions ordinaires de The Great Lakes Paper Company, Limited 300 actions ordinaires de PanCanadian Petroleum Limited |

Circulaire d'information

(au 28 février 1975)

Procurations

La présente circulaire accompagne la demande de procuration de la direction d'Investissements Canadien Pacifique Limitée pour l'assemblée générale annuelle et l'assemblée extraordinaire-nature des actionnaires qui se tiendront le vendredi 2 mai 1975 au Château Champlain, Montréal, Québec, et pour toutes assemblées qui en tiendront lieu en cas d'ajournement. Les frais de cette demande sont à la charge de la Compagnie.

Désignation des mandataires et révocation des procurations

A toutes les assemblées générales des actionnaires de la Compagnie, chacun d'eux dispose d'une voix par action et peut voter en personne ou par procuration, que le mandataire de cette procuration soit ou non actionnaire de la Compagnie.

Droit de vote des mandataires

La procuration est toujours révocable par acte écrit de l'actionnaire ou de son fondé de pouvoir. Si les actions appartenant à une corporation, l'acte de révocation doit être revêtu de son sceau corporatif ou de la signature d'un cadre de la haute direction ou d'un fondé de pouvoir de la corporation dûment autorisé, et être déposé au siège social de la Compagnie au plus tard le dernier jour ouvrable avant l'assemblée, ou l'assemblée qui en tient lieu en cas d'ajournement, au cours de laquelle doit être utilisée la procuration, ou remis au président de ladite assemblée le jour de l'assemblée ou de l'assemblée qui en tient lieu en cas d'ajournement.

Les mandataires désignés par procuration en bonne et due forme seront admis à voter, à proportion des actions représentées, ou à s'abstenir de voter si la procuration le spécifie, à toute consultation par scrutin pour laquelle le mandant, en établissant la procuration, aura précisé son choix sur la question soumise au scrutin. Leur vote sera conforme aux instructions ainsi données. SI AUCUNE INSTRUCTION N'EST DONNÉE, LES DROITS DE VOTE SERONT EXERCÉS DANS LE SENS DE LA MENTION "AUTORISER".

Latitude laissée aux mandataires

La procuration donne aux mandataires pouvoir de se prononcer sur les modifications ou amendements apportés aux questions à l'ordre du jour, ainsi que sur les autres questions dont l'assemblée générale peut normalement être saisie. A la date de la présente circulaire d'information, la direction de la Compagnie n'a connaissance d'aucun amendement ou modification dont l'assemblée pourrait être saisie, ni de question qui ne soit prévue à l'ordre du jour.

Actions comportant droit de vote

Au 28 février 1975, la Compagnie avait en circulation 58 096 018 actions ordinaires sans valeur nominale ou au pair, donnant droit à une voix chacune et 1 350 729 actions privilégiées remboursables et convertibles, à 4¾% cumulatif, série A, donnant droit à une voix chacune. La Compagnie n'a pas fixé de date limite d'inscription et, aux termes de la Loi sur les corporations canadiennes, l'article 105(5), s'il arrive qu'un actionnaire de la Compagnie n'ait pas reçu d'avis indiquant la date, l'heure et le lieu de l'assemblée générale des actionnaires de la Compagnie, il conserve son droit de vote à l'assemblée à condition de s'être inscrit aux registres de la Compagnie au moins quarante-huit heures, sans compter les samedis et jours fériés, avant l'heure d'ouverture de l'assemblée. Au 28 février 1975, Canadien Pacifique Limitée possédait 50 000 000 d'actions ordinaires, représentant 84,11% des droits de vote afférents à toutes les actions donnant droit de vote, de la Compagnie.

Modifications des règlements

L'assemblée a été convoquée en assemblée générale extraordinaire, pour examiner et, si elle le juge bon, sanctionner les règlements 14, 15, 16 et 17. Le règlement n° 14, adopté par le conseil d'administration le 30 août 1974, modifie les règlements généraux 1 et 2 en ajoutant le président du conseil de la Compagnie au nombre de personnes habilitées à convoquer des réunions du conseil d'administration et du comité exécutif et à signer les documents, et en permettant aux administrateurs de nommer le président du conseil au nombre des cadres pouvant être amenés et autorisés à emprunter au nom de la Compagnie. Le règlement n° 15, adopté par le conseil d'administration le 30 août 1974, porte l'émission d'un nouveau sceau de la Compagnie comprenant les mots "Canadian Pacific Investments Limited, Investissements Canadien Pacifique Limitée, conformément aux lettres patentes supplémentaires octroyées le 12 juin 1974 autorisant un changement de nom de la Compagnie. Le règlement n° 16, adopté par le conseil d'administration le 6 mars 1975, porte de 12 à 14 le nombre des administrateurs de la Compagnie. Le règlement n° 17, adopté par le conseil d'administration le 6 mars 1975, renforce les pouvoirs du comité exécutif en supprimant la condition de ratification de leurs actions par le conseil d'administration. Les règlements nos 14, 16 et 17 doivent être sanctionnés à la majorité des deux tiers et le règlement n° 15 à la majorité des voix de l'assemblée.

Election des membres du conseil d'administration

Sous réserve de sanction du règlement n° 16 par les actionnaires, le conseil d'administration comptera quatorze membres. Une fois élus, les membres du conseil d'administration demeurent en fonction jusqu'à la prochaine assemblée générale annuelle des actionnaires et jusqu'à ce que leur successeur soit régulièrement élu. Les personnes dont les noms figurent à la page suivante, à l'exception de M. John Macnamara et M. Angus A. MacNaughton, qui ne sont pas présentement membres du conseil d'administration, votent leurs mandats s'achever à l'assemblée générale annuelle et à l'assemblée extraordinaire du 2 mai 1975 et, comme elles sont rééligibles, leur réélection sera proposée. MM. Macnamara et MacNaughton sont également éligibles et seront candidats au conseil d'administration. La direction estime que les candidats sont dignes d'occuper les fonctions de membre du conseil d'administration mais s'ils en devenaient incapables avant l'assemblée générale, pour quelque raison que ce soit, les titulaires de la procuration ci-jointe auront le droit de voter pour d'autres candidats de leur choix. Voici les renseignements en notre possession au 28 février 1975 sur les quatorze candidats (à l'exception de M. John Macnamara et M. Angus A. MacNaughton pour lesquels les renseignements datent du 6 mars 1975):

Avis d'assemblée générale annuelle et d'assemblée générale extraordinaire des actionnaires

L'assemblée générale annuelle et une assemblée générale extraordinaire des actionnaires d'Investissements Canadien Pacifique Limitée se tiendront le vendredi 2 mai 1975 au Château Champlain, Place du Canada, Montréal, Québec, à onze heures du matin (heure avancée, si elle est en vigueur), pour traiter les questions suivantes:

- a. Examen du rapport du conseil d'administration, ainsi que des états financiers consolidés accompagnés du rapport des vérificateurs pour l'exercice clos le 31 décembre 1974;
- b. Etude et, si elle le juge bon, sanction du règlement n° 14, adopté par le conseil d'administration le 30 août 1974, qui change les règlements généraux nos 1 et 2 en ajoutant le président du conseil de la Compagnie au nombre de personnes habilitées à convoquer des réunions du conseil d'administration et du comité exécutif et à signer les documents, et en permettant aux administrateurs de nommer le président du conseil au nombre des cadres pouvant être amenés et autorisés à emprunter au nom de la Compagnie;
- c. Etude et, si elle le juge bon, sanction du règlement n° 15, adopté par le conseil d'administration le 30 août 1974, portant sur l'émission d'un nouveau sceau de la Compagnie comprenant les mots Canadian Pacific Investments Limited, Investissements Canadien Pacifique Limitée, conformément aux lettres patentes supplémentaires octroyées le 12 juin 1974 autorisant un changement de nom de la Compagnie;

- d. Etude et, si elle le juge bon, sanction du règlement n° 16, adopté par le conseil d'administration le 6 mars 1975, portant le nombre d'administrateurs de la Compagnie de douze à quatorze;

- e. Etude et, si elle le juge bon, sanction du règlement n° 17, adopté par le conseil d'administration le 6 mars 1975, renforçant les pouvoirs du comité exécutif en supprimant la condition de ratification de leurs actions par le conseil d'administration;
- f. Election de membres du conseil d'administration;

- g. Nomination des vérificateurs et habilitation du conseil d'administration à fixer leur rémunération;
- h. Débat sur toute question dont l'assemblée peut normalement être saisie.

Le conseil d'administration a, par résolution, fixé à vingt-quatre heures, sans compter les samedis et jours fériés, précédant l'assemblée générale annuelle et l'assemblée générale extraordinaire des actionnaires ou toutes assemblées qui en tiennent lieu en cas d'ajournement, le délai de dépôt à Montréal, province de Québec, à la Compagnie ou à la Montreal Trust Company, agent de la Compagnie, des procurations à utiliser à l'assemblée générale annuelle et à l'assemblée générale extraordinaire des actionnaires ou à toutes assemblées qui en tiennent lieu en cas d'ajournement.

Par ordre du conseil d'administration
Le secrétaire,
G. S. MacLean

Montréal, le 6 mars 1975

N.B. S'il vous est impossible d'assister à l'assemblée, veuillez remplir et retourner la formule de
procuracion ci-jointe.